OSD Perspectives

39th Annual
Guns & Ammunition / Missiles & Rockets
Conference & Exhibition

April 13, 2004

Anthony J. Melita

OUSD (Acquisition, Technology & Logistics)

Deputy Director, Defense Systems, Land Warfare and Munitions

- ✓ OSD Organization
- ✓ DoD Transformation
- ✓ Requirements and Acquisition Process Changes

Office of the Secretary of Defense

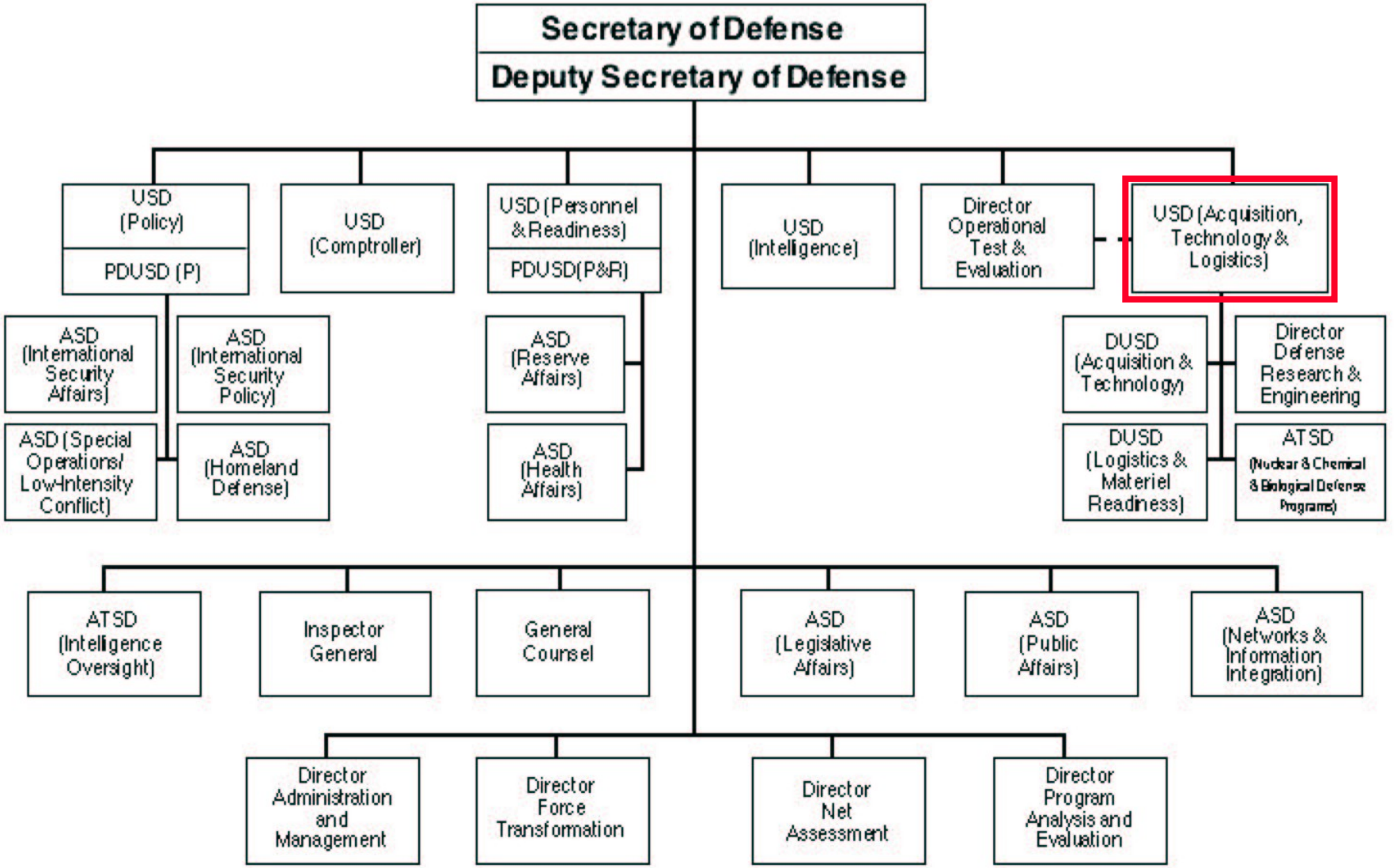
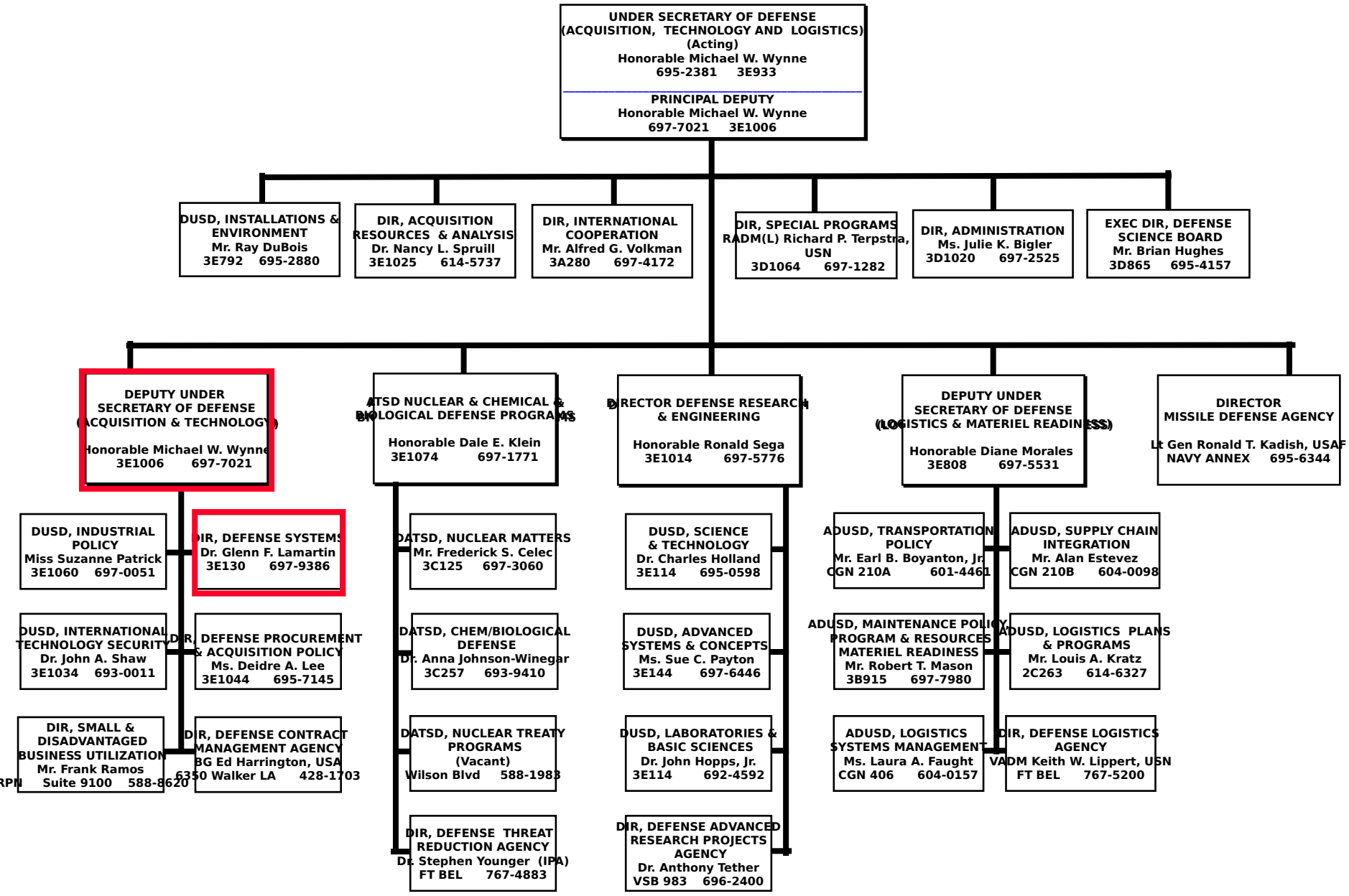


Chart reflects PAS officials and those reporting directly to the Secretary and Deputy Secretary of Defense

Date: May 2003


UNDER SECRETARY OF DEFENSE
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695-2381 3E933
PRINCIPAL DEPUTY
Honorable Michael W. Wynne
697-7021 3E1006
DUSD, INSTALLATIONS & ENVIRONMENT
Mr. Ray DuBois
3E792 695-2880
DIR, ACQUISITION RESOURCES & ANALYSIS
Dr. Nancy L. Spruill
3E1025 614-5737
DIR, INTERNATIONAL COOPERATION
Mr. Alfred G. Volkman
3A280 697-4172
DIR, SPECIAL PROGRAMS
RADM(L) Richard P. Terpstra, USN
3D1064 697-1282
DIR, ADMINISTRATION
Ms. Julie K. Bigler
3D1020 697-2525
EXEC DIR, DEFENSE SCIENCE BOARD
Mr. Brian Hughes
3D865 695-4157
DEPUTY UNDER SECRETARY OF DEFENSE (ACQUISITION & TECHNOLOGY)
Honorable Michael W. Wynne
3E1006 697-7021
ATSD NUCLEAR & CHEMICAL & BIOLOGICAL DEFENSE PROGRAMS
Honorable Dale E. Klein
3E1074 697-1771
DIRECTOR DEFENSE RESEARCH & ENGINEERING
Honorable Ronald Sega
3E1014 697-5776
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Honorable Diane Morales
3E808 697-5531
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Lt Gen Ronald T. Kadish, USAF
NAVY ANNEX 695-6344
DUSD, INDUSTRIAL POLICY
Miss Suzanne Patrick
3E1060 697-0051
DIR, DEFENSE SYSTEMS
Dr. Glenn F. Lamartin
3E130 697-9386
DUSD, INTERNATIONAL TECHNOLOGY SECURITY
Dr. John A. Shaw
3E1034 693-0011
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Ms. Deidre A. Lee
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Mr. Frank Ramos
RPN Suite 9100 588-8620
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BG Ed Harrington, USA
6350 Walker LA 428-1703
DATSD, NUCLEAR MATTERS
Mr. Frederick S. Celec
3C125 697-3060
DATSD, CHEM/BIOLOGICAL DEFENSE
Dr. Anna Johnson-Winegar
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DATSD, NUCLEAR TREATY PROGRAMS
(Vacant)
Wilson Blvd 588-1983
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FT BEL 767-4883
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DUSD, ADVANCED SYSTEMS & CONCEPTS
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DUSD, LABORATORIES & BASIC SCIENCES
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MATERIEL READINESS
Mr. Robert T. Mason
3B915 697-7980
ADUSD, LOGISTICS SYSTEMS MANAGEMENT
Ms. Laura A. Faught
CGN 406 604-0157
ADUSD, SUPPLY CHAIN INTEGRATION
Mr. Alan Estevez
CGN 210B 604-0098
ADUSD, LOGISTICS PLANS & PROGRAMS
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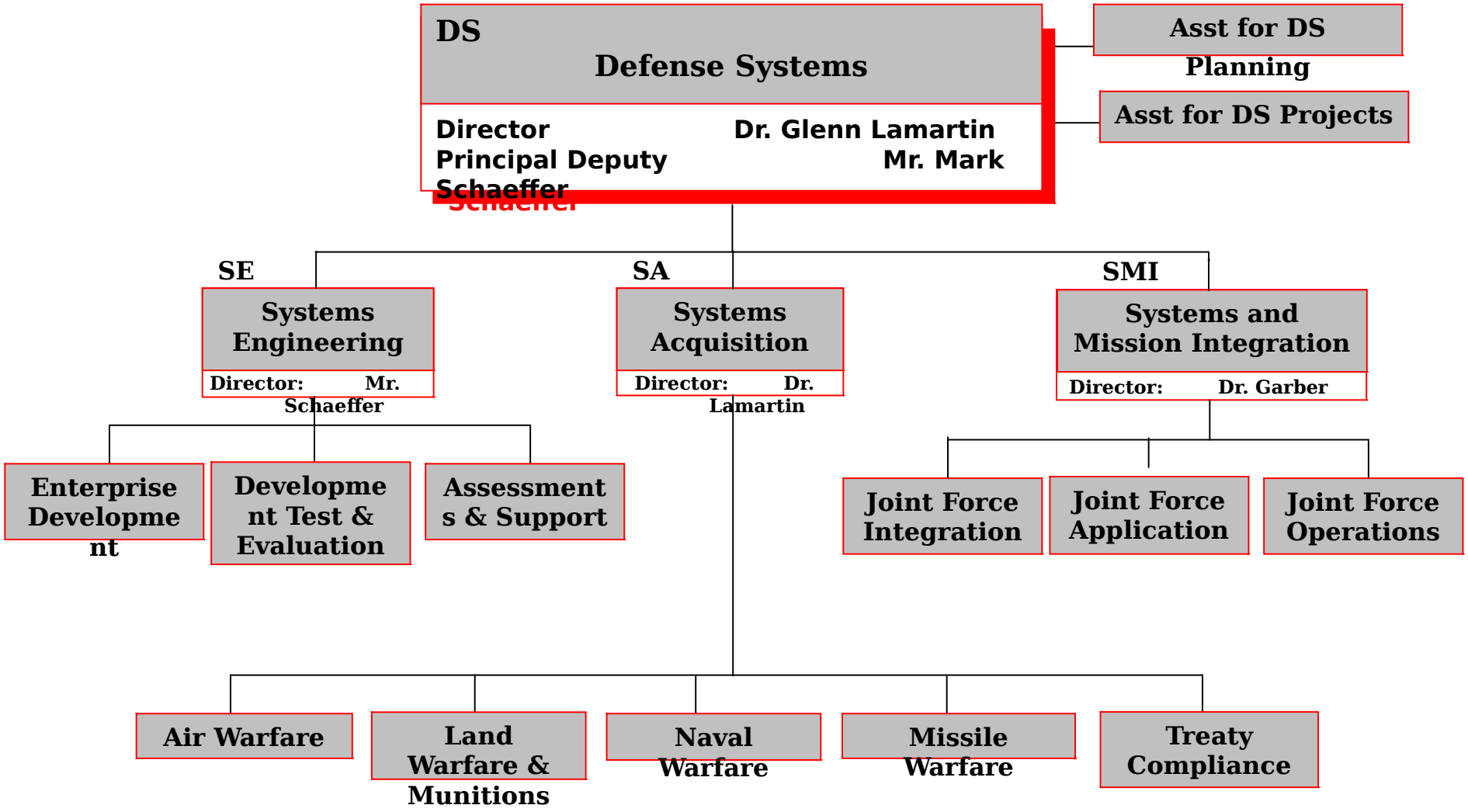
2C263 614-6327
DIR, DEFENSE LOGISTICS AGENCY
VADM Keith W. Lippert, USN
FT BEL 767-5200

DEFENSE SYSTEMS ORGANIZATION



Transformation

Transformation

“…a future force that is defined less by size and more by mobility a
swiftness, one that is easier to deploy and sustain, one that relies r
heavily on stealth, precision weaponry and information technologie

George W. Bush

The Emerging American Military*:

- More expeditionary (lighter, more lethal)
- More networked (more interoperability at the JTF level)
- Designed to leverage the exterior positions (precision from distance as sensors move in)
- Leverages increasingly persistent ISR
- Tighter sensor-shooter timelines (sensing, C2, fly-out)
- Values Information Superiority (information operations)
- Focused on unmanned capabilities (UAV, UCAV, UUV, robotics)

* Transforming Defense….General Observations, Office of Force Transformation

Strategy for Transforming

- Transformed culture through innovative leadership
  - Strong commitment from senior leaders
- Transformed processes
  - Reformed capabilities-identification process (joint operating concepts)
  - Strategic analysis that can identify and assess risks for strategic planning
- Transformed capabilities through force transformation

Source: DoD Transformation Planning Guidance, April 2003

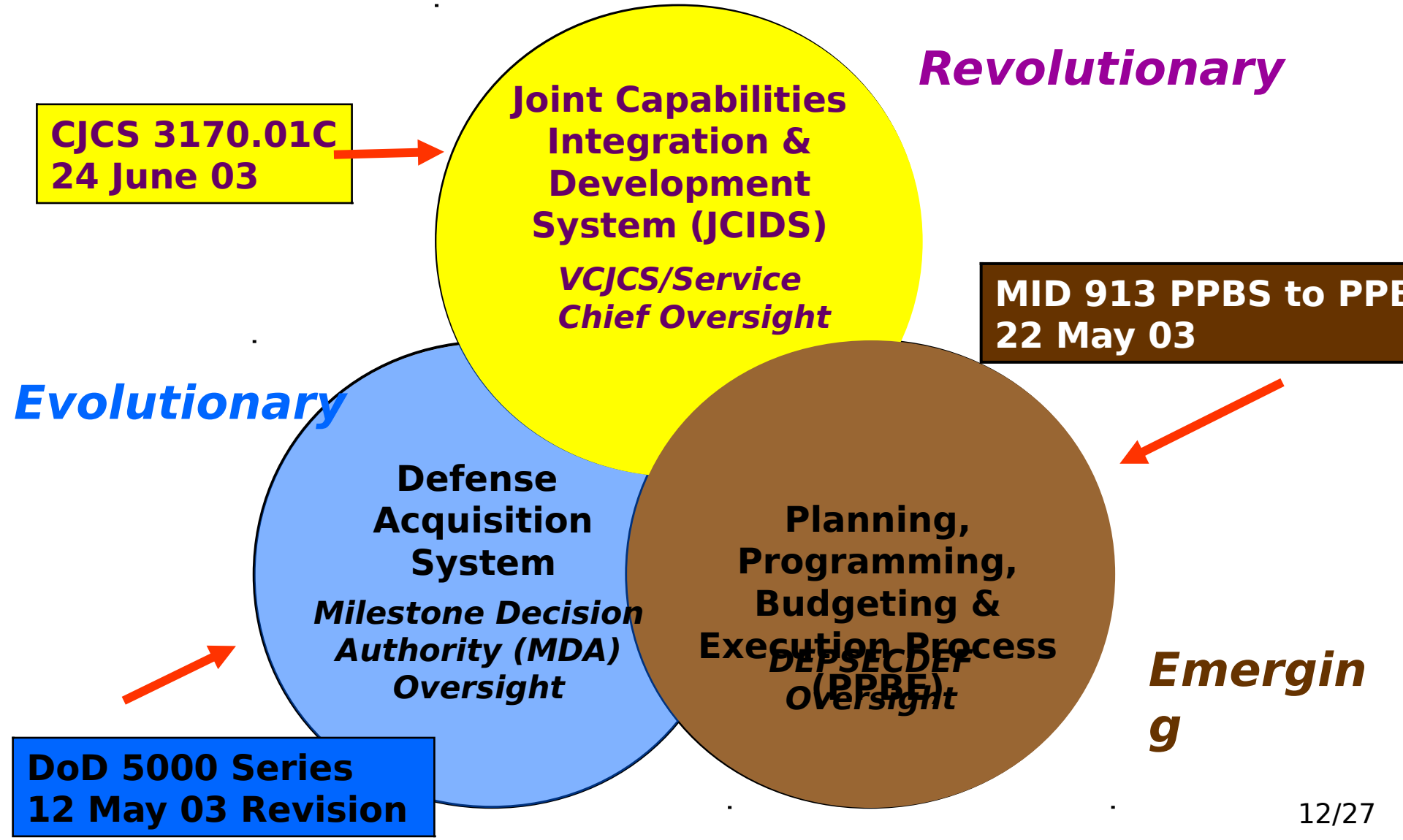
Scope of Transformation

- Transforming how we fight
  - Joint warfighting concepts
  - Doctrine, organization, training, materiel, leadership and education, personnel and facilities.
- Transforming how we do business
  - Legislative reforms
  - Requirements generation and acquisition processes
  - Adaptive war planning
- Transforming how we work with others
  - Coordination among agencies (federal, state, local)
  - Allied and coalition partners

Source: DoD Transformation Planning Guidance, April 2003

Requirements and Acquisition Process Changes

Acquisition Decision Support Systems In Transformation



Joint Capabilities Integration and Development System

Summary of Changes

- Enhance methodology to identify and to describe capabilities gaps
- Engage the acquisition community earlier
- Better define non-material aspects of material solutions
- Prioritize capability gaps and proposals
- Improved coordination with other departments and agencies
- Mandate broader review of capability proposals

Functional Capabilities Boards

Responsibilities

- Ensure new capabilities are conceived and developed in joint warfighting context
- Ensure JCIDS proposals are consistent with integrated joint force
- Validate Joint Impact proposals
- Organize, analyze & prioritize capabilities proposals
- Oversee development and update of Functional Concept(s)
- Ensure integrated architectures (as available) reflect functional area

- 7 Chartered by JROC:
  - Command & Control (JFCOM);
  - Battlespace Awareness (J2);
  - Force Application (J8);
  - Focused Logistics (J4)
  - Protection (J8)
  - Network Centric (J6)
  - Force Management (J8)

More Efficient Use of Scarce Department

Functional Capability Area Portfolios

Battlespace Awareness

JS J-2

Portfolio

- All source intel collection
- Environmental data collection
- Knowledge management
- Predictive analysis

Command & Control

JFCOM J-8

Portfolio

- SJFHQ
- DJC2
- Collaborative Information Environment
- Integrated Fires/Targeting (Combat ID & Integrated Ops Pictures
- Effects-based Ops/Planning
- Joint Commander Impact

Net Centric

JS J-6

Portfolio

- IT & NSS systems and integration
- Warfighting CCE systems
- Cryptographic systems
- National-to-tactical C4 integration

Force Application

JS J-8

Portfolio

- Land, maritime, air & space ops
- Joint targeting
- Conventional and nuclear atk
- Close and urban combat
- Joint fires
- SEAD
- Special ops
- Information Operations (CNA/CND/EW/

Force Protection

JS J-8

Portfolio

- Personnel and infrastructure protection
- Homeland security
- Air and Missile Defense
- Consequence management
- Proliferation control

Focused Logistics

JS J-4

Portfolio

- Deployment/ distribution
- Mobility
- Sustainment
- Force Health Protection
- Logistics C2

Oversight Body Comparison

Joint Requirements Panel (JRP)

- **Services**
- **DIA Representative (Intelligence Supportability)**

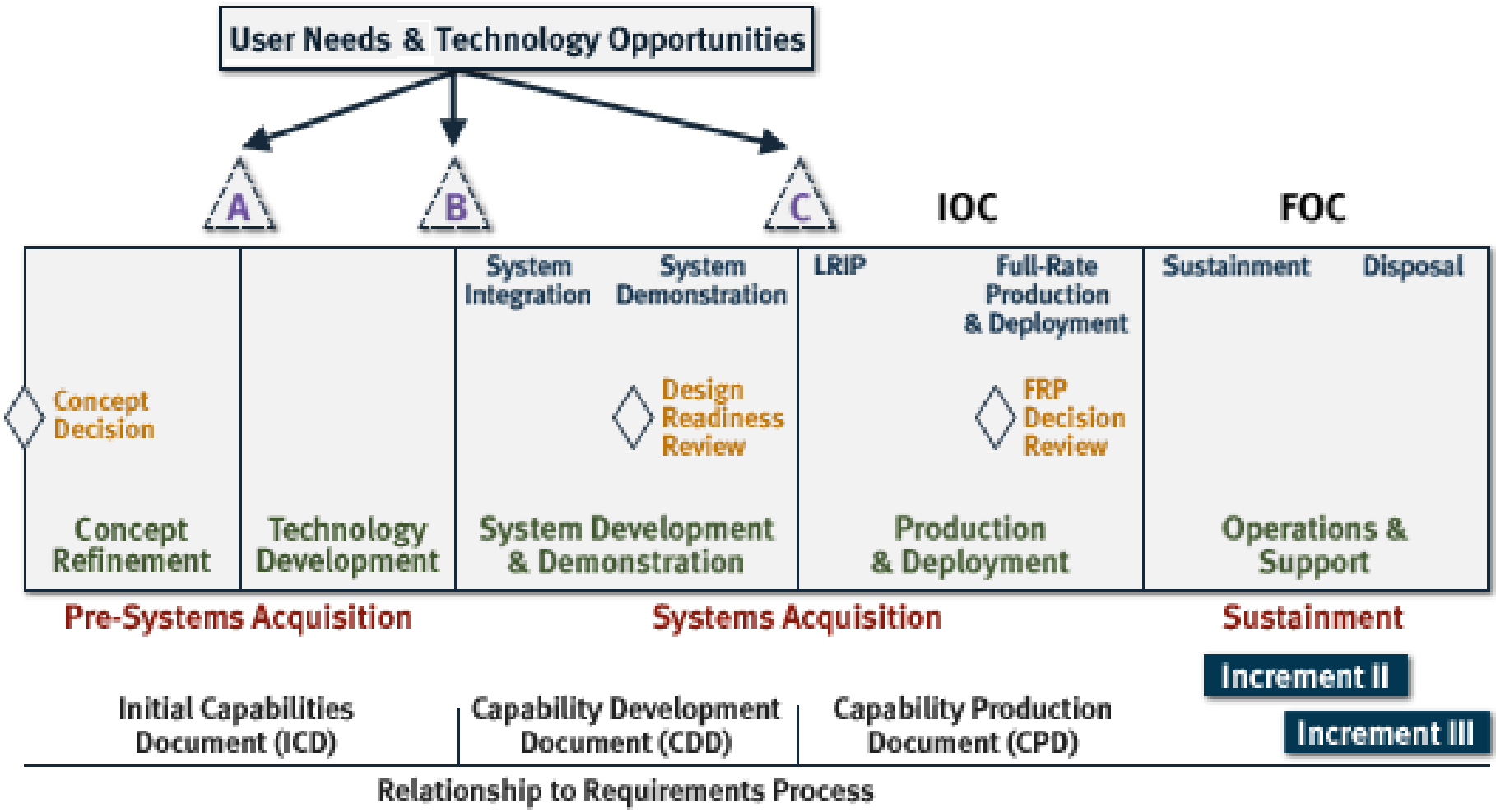
Functional Capabilities Board (FCB)

- **Services**
- **Combatant Commanders**
- **USD (AT&L)**
- **USD (I)**
- **USecAF (Space)**
- **ASD NII/ DOD CIO**
- **D, PA&E**
- **DIA Representative (Intelligence Supportability)**
- **Mission requirements board Executive Secretary**
- **Advisory Membership**
  - **J-6E/I (Interoperability Advisor)**
  - **J-8 Warfighting Concepts and Architectures Integration**
  - **DOD Laboratories & Industry**

Joint Requirements Board (JRB) → **Joint Capabilities Board (JCB)**

Joint Requirements Oversight Council (JROC) → **Joint Requirements Oversight Council (JROC)**

The Defense Acquisition Management Framework



Revised Policy Objectives

- Streamline
- Increase Flexibility
- Enhance Business Practice
- Emphasize Evolutionary Acquisition
- Integrate Acquisition Business Model with transformed Requirements Generation System

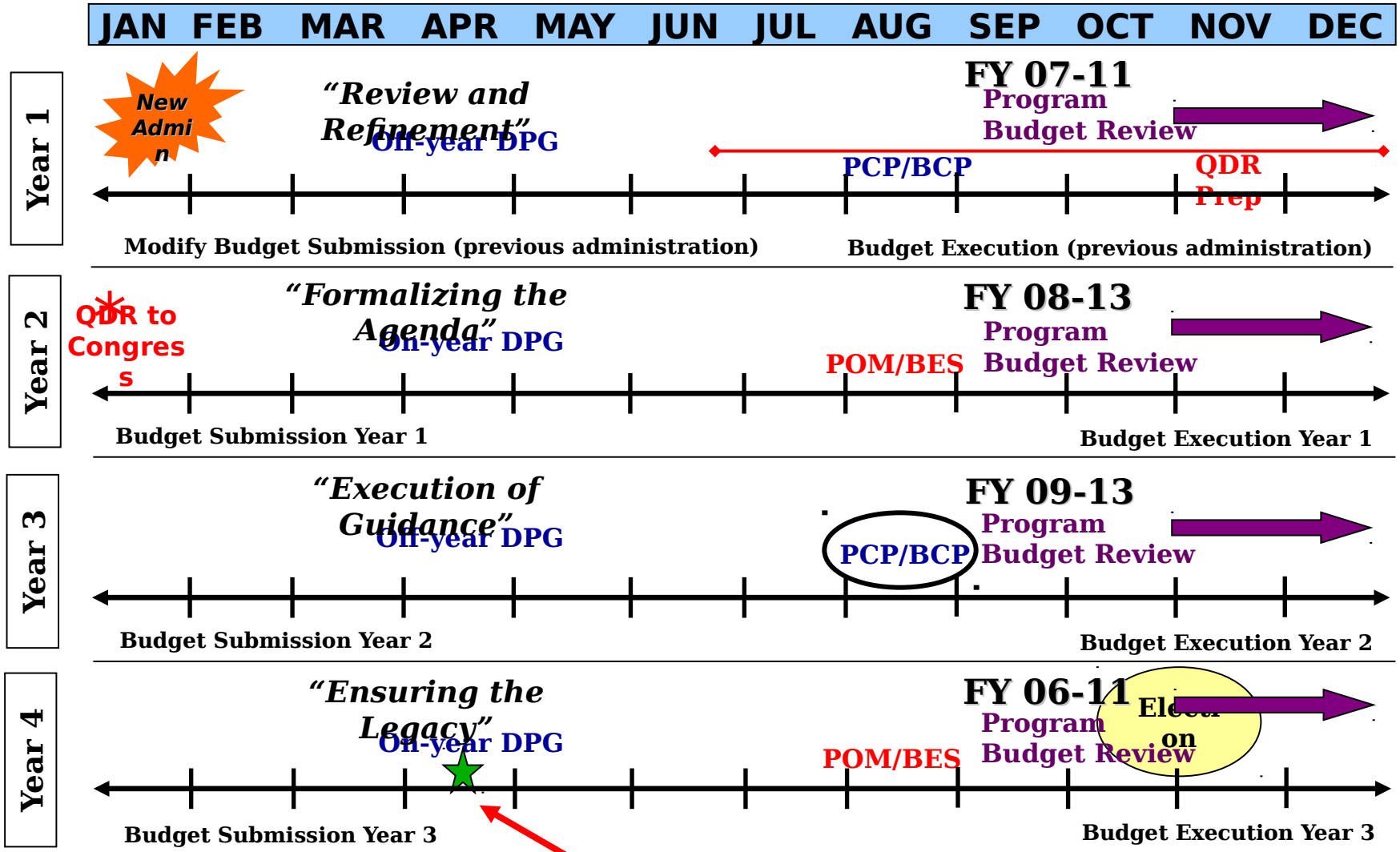
Evolutionary Acquisition

- Two development processes to implement Evolutionary Acquisition Strategy
  - Incremental Development: End-state requirement is known, and requirement will be met over time in several increments
  - Spiral Development: Desired capability is identified, but end-state requirements are not known at Program Initiation. Requirements for future increments dependent upon technology maturation and user feedback from initial increments
- Evolutionary acquisition strategies shall be preferred approach to satisfying operational needs.
- Spiral development shall be the preferred process.

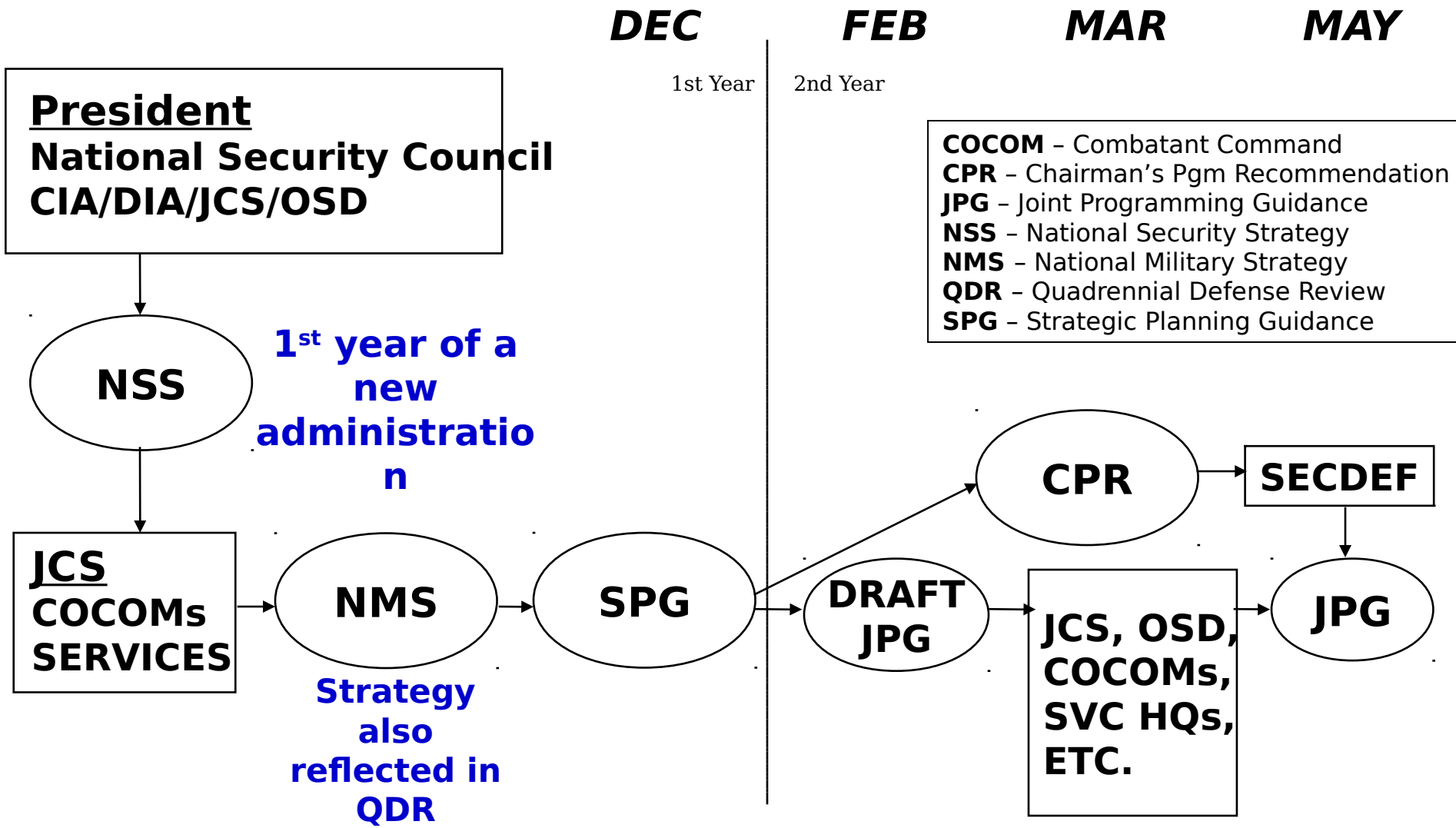
Planning, Programming, Budgeting and Execution

- Primary Resource Management System for DoD:
  - Articulates strategy
  - Identifies size, structure and equipment for military forces
  - Sets programming priorities
  - Allocates resources
  - Evaluates actual output against planned performance and adjusts resources as appropriate

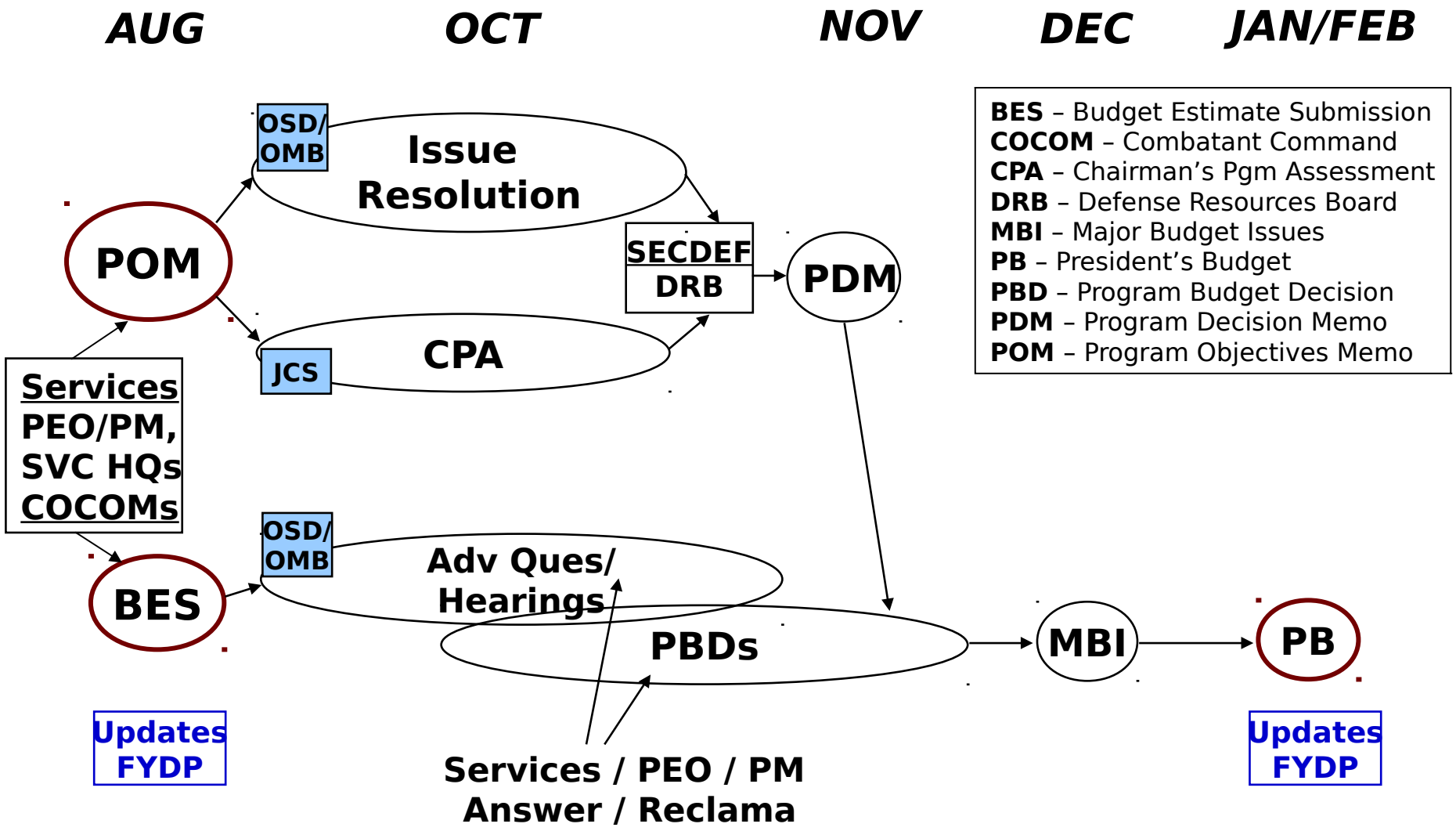
4 Administration Years with 2-year PPBE Cycle



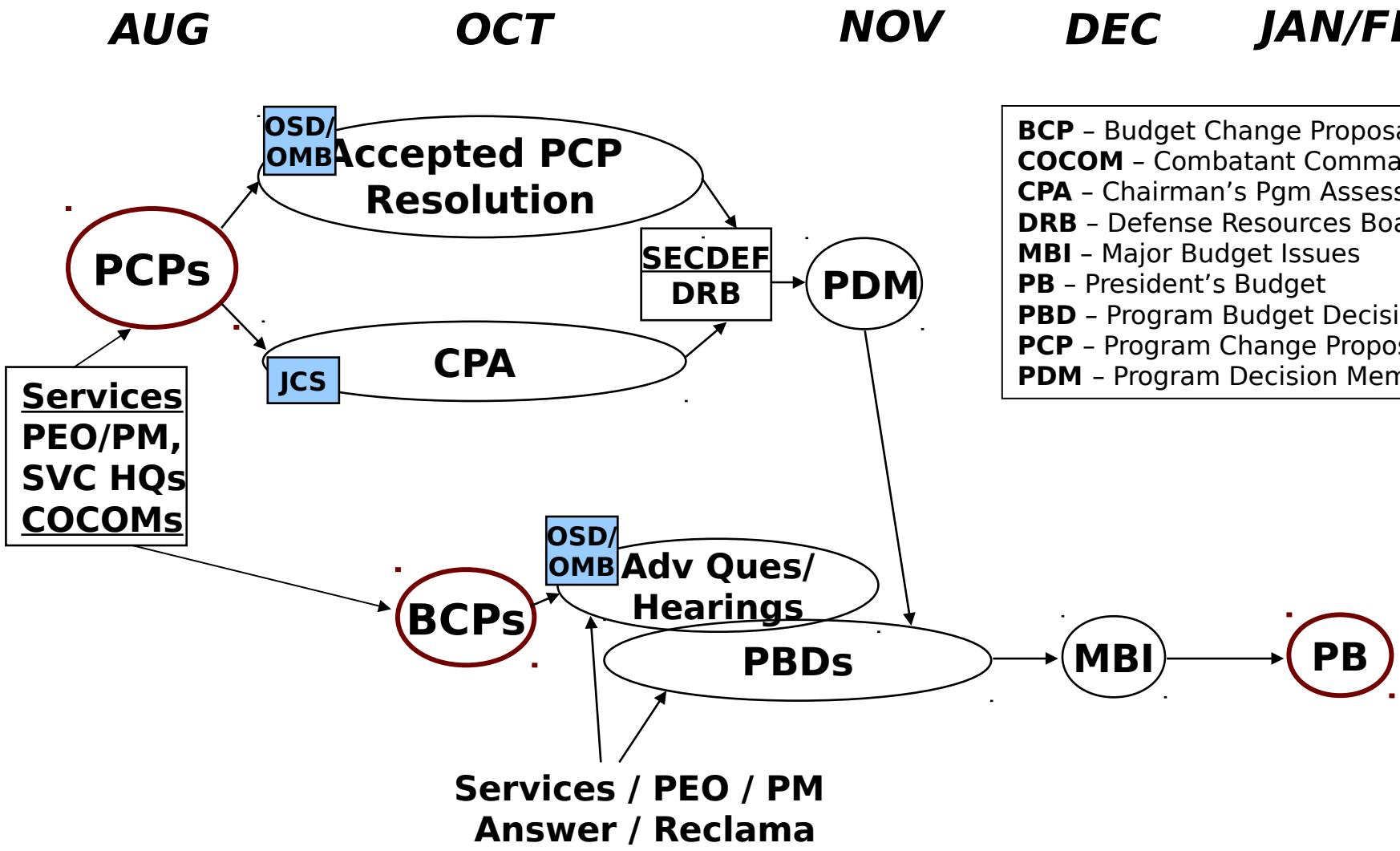
Planning Phase



Concurrent Program/Budget Review
("On-year")



Off-Year Program/Budget Review



Program Change Proposals (PCPs)

- Identify areas to take additional risk (offsets)
  - Offsets may be used for other initiatives
- Limited to items that exceed $250 million across FYDP
  - Threshold at individual programmatic issue level
  - May address smaller issues if serious programmatic problem
  - If less than $250 million, may submit as BCP if budget year is affected
- Must comply with PDM decisions
- Combatant Commanders may submit up to six prioritized PCPs regardless of dollar value
- Full budgetary data submitted for accepted PCPs

Budget Change Proposals (BCPs)

- Generally limited to fact-of-life changes:
  - Cost increases
  - Schedule delays
  - Management reform savings
  - Workload changes
  - Budget execution experience
  - Congressional action
- May involve FYDP years if total cost is less than $250 million and budget year is affected
- Offsets required
- Backed up with appropriate budget exhibits

Final Thoughts…..
Deliver Advanced Technology Faster

- Improved integration of business practice
- Focus on Joint Capabilities
- Flexible, outcome-based, Acquisition Management Framework
- PPBE Interface aligned with JCIDS and Acquisition Process

Improved Business Practices meet the 21ST Century Challenge